BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

	) GEN DOCKET NO. 90-314
	) ET DOCKET NO. 92-100
IN THE MATTER OF	)
	) RM-7140, RM-7175, RM-7617,
AMENDMENT OF THE	) RM-7618, RM-7760, RM-7782,
COMMISSION'S RULES TO	) RM-7860, RM-7977, RM-7978,
ESTABLISH NEW PERSONAL	) RM-7979, RM-7980
COMMUNICATIONS SERVICES	)
	) PP-35 THROUGH PP-40, PP-79
	) THROUGH PP-85

REPLY COMMENTS OF SOUTHWESTERN BELL CORPORATION

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TABLE OF CONTENTS

PAGE

SUMMARY

The Communications Act, which governs the Commission's determinations in this case, clearly mandates that the Commission promote the public interest through the rapid and efficient deployment of new radio services to the public. Yet, a number of the initial comments in this matter blatantly attempt to thwart those statutorily mandated goals and objectives.

Some commentors propose eligibility restrictions on local exchange carrier ("LEC") and cellular carrier participation in certain segments of the Personal Communications Service ("PCS") market. Generally, these proposals are designed to promote the respective commentors' own business interests instead of the public interest. Other commentors take a less restrictive and more supportable view, and would allow full LEC and cellular company participation.

Without a doubt, the record shows that LECs and cellular providers can contribute to the rapid and efficient deployment of PCS, and can bring these services to the public expeditiously and efficiently. This is not to say, however, that new entrepreneurs should be precluded from a reasonable opportunity to participate in this market. What Southwestern Bell Corporation ("SBC") suggests as the best alternative is to allow all qualified entities - including new entrepreneurs, cable television companies, cellular,

paging, and LEC companies - to participate in this emerging market and to allow each company to participate in the market on the same basis.

Cellular companies should be allowed to provide PCS in their existing service areas without prior notification using their existing allocated spectrum and any additional spectrum that may or should be reallocated for such use. In addition, cellular carriers should not be barred from applying for 2 GHz PCS licenses outside their existing service areas or in service areas where they do not own a substantial or controlling interest in an existing cellular operation. Few of the initial comments support such a limitation on cellular carrier eligibility and participation, and no such limitation should be imposed.

LEC participation in PCS within their service areas should likewise be facilitated and encouraged. Such participation will stimulate PCS infrastructure investment and development, and will promote access to the Public Switched Telephone Network ("PSTN") along with the development of shared intelligence and multiple network interoperability.

Barring LEC or cellular company participation in PCS would defeat almost all of the Commission's stated goals. It will slow PCS deployment in the United States, reduce service diversity, and result in a more fragmented and technologically inefficient market. The Commission

should not adopt the proposed eligibility and geographic restrictions on LEC and cellular company participation in PCS.

Nor should the Commission adopt the illogical proposals to postpone LEC and cellular carrier participation within their existing serving areas for a specified number of years. The proposal is contrary to the objective of rapid PCS deployment; it will discourage LEC and cellular investment in infrastructure; and it would be patently anticompetitive.

The Commission should also summarily reject the MCI nationwide licensing suggestion involving consortia and, instead, should use Metropolitan Statistical Areas ("MSAs") and Rural Statistical Areas ("RSAs") as the licensed PCS areas. The Commission has considerable experience with MSA and RSA licensing, but little or none with the use of consortia. Everyone knows how the MSA/RSA licensing areas work and that successful wireless services can be offered utilizing these markets. To impose an entirely new licensing system for PCS would result in protracted proceedings and delays in service implementation.

MCI's claims to the contrary notwithstanding, administration of PCS consortia would be far from simple. The consortia relationship would be complex with a great number of potential partners and/or would-be licensees. Moreover, it is questionable whether the consortia proposal

would even be legal. Consequently, the Commission should reject MCI's proposal.

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Amendment Of The Commission's Rules To Establish New Personal Communications Services	)	RM-7140, RM-7175, RM-7617, RM-7618, RM-7760, RM-7782, RM-7860, RM-7977, RM-7978, RM-7979, RM-7980
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REPLY COMMENTS OF SOUTHWESTERN BELL CORPORATION

Southwestern Bell Corporation ("SBC") submits the following reply comments on the *Notice of Proposed Rule Making* ("*NPRM*") in this proceeding.

I. LICENSE ELIGIBILITY.

SBC supports open PCS license eligibility for all market, and would-be market, participants. Cellular companies should be allowed to provide all types of wireless person centered (i.e., PCS) services in their existing service areas without prior notification using their existing allocated spectrum and any additional spectrum that may be allocated to them for such use. Cellular carriers should not be barred from applying for 2 GHz PCS licenses outside their existing service areas or even within those existing service areas where they do not own a substantial or a controlling interest in an existing cellular operation.

LECs should also be allowed to participate in PCS, both as providers of PCS and as suppliers of infrastructure.

LEC participation within their service areas will facilitate deployment to the mass market and will likely make PCS available to what could otherwise be unserved (i.e., less densely populated and rural) areas.

A. Eligibility Restrictions Are Not In The Public Interest.

The Communications Act, which governs the Commission's determinations in this case, clearly mandates that the Commission promote the public interest through rapid and efficient deployment of new radio services to the public.[1] Eligibility restrictions on certain groups of carriers are plainly at odds with that statutory mandate. SBC and a broad cross section of commentors support allowing all qualified entities - including new entrepreneurs, cable television companies, cellular, paging and LEC companies - to participate in this emerging market and allowing each company to participate in that market on a parity basis.[2]

Some commentors suggest limiting LEC and cellular carrier participation in PCS. These proposals should be rejected. The *FCC Office of Plans and Policy, OPP Working Paper # 28* shows that existing cellular and local exchange

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[1] 47 U.S.C. § 151 and § 303(g).

[2] Allowing all qualified firms an opportunity to participate would be consistent with the Commission's actions on experimental licenses. The Commission has appropriately encouraged widespread participation in PCS by approving over 150 experimental licenses. This has facilitated participation among virtually all industry groups, and SBC believes that result should continue.

carriers, through economies of scope, will be able to facilitate PCS deployment on a rapid and efficient basis in a manner fully consistent with the statute.[3] LEC and cellular carrier participation is also likely to serve the public interest by stimulating and making PCS available using advanced and multi-purpose telecommunications infrastructures.[4]

To suggest, as some do, that LEC and cellular carrier participation should be restricted, delayed, or precluded does nothing, except to promote the self-interests of companies who either cannot or do not want to compete. Notably, numerous other entities, including companies that would be competing with the LECs and cellular carriers, state that they have no objection to cellular and LEC participation in PCS.[5]

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[3]*FCC Office of Plans and Policy, OPP Working Paper # 28*, "Putting It All Together: The Cost Structure of Personal Communications Services," November 1992, pp. 29-32, 36-45 (hereafter "*OPP #28* ").

[4]*OPP # 28*, pp. 60, 36, 39. As noted in the paper, the incentive to develop the supporting infrastructure is likely to be greater and such development more expeditious if the infrastructure provider is also allowed to provide PCS.

[5]*Century Cellunet*, pp. 2-3, 8; *Florida Cellular*, pp. 9-11; *McCaw*, pp. 22, 33; *Rural Cellular*, p. 3; *Telocator*, pp. 9-10; *Fleet Call*, p. 27; *New York Department of Public Service*, p. 8; *Advocacy of United States Small Business Administration*, p. 22.

B. Concerns About LEC And Cellular Participation Are Unfounded.

Some commentors suggest that neither cellular carriers nor LECs should be eligible for 2 GHz PCS licenses. They contend that such eligibility should be precluded because of concerns about cross-subsidization and interconnection discrimination. These concerns are unfounded.

The fact is that adequate safeguards against alleged cross-subsidization and interconnection discrimination exist today. LECs have been providing network access to affiliated and nonaffiliated cellular carriers for years without any findings or valid claims of interconnection discrimination. Cross-subsidization concerns have likewise been avoided through accounting mechanisms and other methods. The Commission is very experienced in developing and administering new forms of safeguards to the extent it feels they are warranted, and could do so in this case. Also, tariffs are currently offered to handle network interconnection on a nondiscriminatory basis and, to the extent new interconnection arrangements may be needed, they too can be developed on a non-discriminatory basis. Finally, given the number of service providers and alternate networks that will

likely be used in providing PCS, no firm will possess any concrete or undue advantage.[6]

C. Restricting LEC Participation Would Not Be In The Public Interest.

The LECs should be allowed to be eligible for a PCS license under the same terms and conditions as other applicants. LECs have near ubiquitous facilities and can use that infrastructure to contribute to the development of PCS.[7] Although the LECs are not typically associated with emerging wireless services, they do have significant expertise in radio spectrum-based capabilities (*e.g.*, BETRS and common carrier point-to-point microwave systems).

To exclude LECs from eligibility would be market manipulation at its worst. It would limit benefits to the consumer, when maximizing customer choice should be the goal. It would limit LEC modernization and use of their networks and network infrastructure.[8] There is even some

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[6]As shown by *OPP # 28*, cable television firms and cellular carriers, in addition to LECs, have alternative networks and achievable economies of scope that can be used to reduce costs to PCS subscribers. Thus, LECs would not have any true resource advantage in this area over other competitors.

[7]Indeed, one commentor notes that "To exclude the LECs will, however, dramatically curtail the full development of PCS, and, customers, especially in those suburban and rural areas, will be unlikely to have access to any of these services soon." *InterDigital Communications Corp.*, p. 16.

[8]Among the likely possibilities is the use of wireless technology to displace, modernize or enhance the wireline network, such as in the recent LEC replacement of a wireline office by a digital wireless system in Quitaque, Texas. *See Communications Daily*, December 3, 1992, p. 6.

evidence that PCS will be a more cost-effective technology, as compared to wireline technology.[9] Under the circumstances, it would be patently unfair and unreasonable to restrict LEC participation within their service areas. LECs must be eligible to utilize the new capabilities of enhanced wireless access technology to offer services which complement traditional exchange services, and they should not be prohibited from providing those technologies to customers within their existing serving areas. By not allowing LEC participation, the Commission could be significantly delaying overall PCS development, its expansion to rural areas, and most importantly the development and expansion of an advanced PCS supporting network infrastructure. None of these results would be in the public interest.

LECs, as well as others, should be allowed to bring their varied talents, resources, and differing core strengths to the market, as this will result in a greater variety of approaches and a wider range of products and services being made available to consumers. Consumers should not be precluded from choosing LEC providers of such services.

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[9]For example, it has been suggested that a local loop costs $2000 per access line using copper, while cellular carriers need only $1000 to link a customer to their network. *Huber et al.*, "The Geodesic Network II, § 4.134 (1992). Thus, the deployment of wireless access is already a cost effective alternative to traditional wired drops.

Prohibiting or delaying LEC participation in PCS within their existing serving areas because of concerns about multiple license ownership would not be appropriate. Such limitations ignore that LECs will be likely to develop and offer different types of wireless applications than other PCS providers, including infrastructure and/or primarily wireless access type services. These services would complement and enhance other PCS offerings, and stimulate overall market development.

Arguments against LEC participation in these markets also ignore that, at least for the Bell Companies, the LECs and their cellular affiliates operate on an independent and separate basis in supplying services to the public with little or no interaction or joint marketing. The arguments against LEC participation further ignore that, given the numerous inroads that technology and competitive initiatives are creating in traditional LEC business, the LECs need flexibility and new market opportunities.

Delaying LEC participation could also mean that, once the restriction is lifted, the market opportunity could already be gone, and gone forever. At that time, there may be no 2 GHz spectrum available for assignment to the LECs, it having already been assigned to other carriers or providers. Thus, the benefits and efficiencies which the LECs could bring to this market and to consumers through their use of the 2 GHz spectrum could be denied forever if

their participation is delayed as proposed by some commentors.[10]

D. Restricting Existing Cellular Carrier Participation Would Not Be In The Public Interest.

Some commentors suggest that existing cellular carrier participation in PCS should either be restricted or delayed. The public interest would not be furthered by these proposals.

Allowing existing cellular carriers to participate will increase the ability of PCS to succeed as a viable commercial service. The tremendous subscriber growth of cellular carriers conclusively demonstrates that those carriers have the operating experience required for the prompt delivery of new wireless services to the marketplace.[11] *OPP # 28* also shows that existing cellular

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[10]An alternative might be to earmark or reserve a portion of the 2 GHz spectrum for future potential LEC assignment and use. This alternative would not, however, solve the immediate need of stimulating LEC infrastructure development and the development of wireless access technologies for both PCS provider and PCS consumer use.

[11]Some commentors erroneously suggest that cellular carriers have not been actively pursuing the conversion to digital and that they will also delay providing digital PCS. *Omnipoint*, pp. 3-4. Such claims are false. SBC's mobile services subsidiary was the first cellular company in the United States to announce plans to deploy digital cellular service. The subsidiary subsequently moved forward with various digital verification programs and now is in the process of deploying one of the industry's first large-scale applications of digital cellular service.

carriers have economies of scope that would be likely to lower PCS costs to consumers.[12]

Claims that existing cellular carriers would have a considerable market advantage if allowed to provide PCS are unsupported.[13] Existing cellular carriers will have to provide dual-mode cellular networks to serve both analog and digital subscribers well into the next decade. Newly licensed PCS providers, on the other hand, will not be so limited and will have an advantage by being able to deploy exclusively digital services at the outset. Furthermore, the 800 MHz band allocated to cellular carriers will be inherently less effective for PCS than the networks of new operators which will utilize the 1.8 to 2.0 GHz band.[14] If proposals to grant newly licensed PCS providers more spectrum than the 25 MHz available to existing cellular carriers are adopted, then existing cellular carriers would be placed at a significant resource disadvantage. Because of dual mode operation, they are already under significant spectrum resource limitations and will have little spectrum to devote to new PCS use. If newly licensed PCS providers

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[12]*OPP #28*, pp. 39-40.

[13]*Comcast PCS*, p. 12.

[14]For example, modes of propagation and operating ranges for radio signals at higher frequencies (i.e., 1.8-2.0 GHz) are better controlled at shorter distances and, thus, provide a more attractive environment for "in-building" microcellular coverage than 800 MHz frequencies. Reflection of radio signals is also enhanced for many solid materials at the higher frequencies.

are given more spectrum than existing cellular providers, they can exploit that spectrum advantage in two ways: (1) serving more customers than cellular operators; and (2) using digital technology without a dual mode requirement to increase capacity well beyond that available under the current spectrum assignments to competing cellular operators.

Proposals to delay, but not completely ban, existing cellular carrier participation,[15] will do little to alleviate these inequities, or to achieve spectrum parity between cellular and newly licensed PCS providers. No guarantee exists that there will be any 2 GHz spectrum available for existing cellular carrier PCS use after the end of the transition period. Even if spectrum were reserved for such use, by the time that such spectrum is released and becomes available, many customers will have made their service provider choices and would not be likely to change that choice. With the new providers' spectrum resource advantages and the limitations placed on cellular, this would, once again, be market manipulation at its very worst, and would do nothing to increase true competition or to maximize the choice of providers for consumers.

The Commission should impose no restrictions whatsoever on cellular carrier eligibility for 2 GHz PCS

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[15]*DOJ*, pp. 23-30; *NTIA*, pp. 26-28.

spectrum outside their existing service areas,[16] and should consider allowing cellular carriers the opportunity to acquire new or additional spectrum to be at parity with newly licensed PCS providers within their existing service areas.[17]

The Commission should also recognize the existence of minority and non-controlling cellular license interests within affiliated LEC service territories and in that regard should not preclude or restrict existing cellular carrier participation for 2 GHz licenses in those service areas. In fact, cellular carriers should be allowed to participate in all areas where they do not own a substantial or a controlling interest in an existing cellular license.[18] Existing cellular carriers should be allowed the same opportunity to obtain a 2 GHz PCS license in such areas on

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[16]Cellular carrier and LEC eligibility outside their existing serving areas does not appear to be an issue. Most agree that both cellular carriers and LECs should be eligible for new PCS licenses in such areas.

[17]SBC supports proposals to free up additional 800 MHz spectrum (*e.g.*, UHF, channels) for cellular carrier PCS use. Such proposals and assignments should be available for all existing cellular carriers, not just those who are unaffiliated with LECs.

[18]An example is Houston, Texas, where SBC's cellular subsidiary has a limited interest of approximately 2% in the existing cellular operation. SBC recommends that no restriction be placed on 2 GHz PCS license eligibility for existing cellular carriers who do not have a substantial interest (greater than 10%) in an existing cellular license in a given area. Other commenters make similar recommendations. *See, e.g., Sprint* at p. 11.

the same terms and conditions as any other license applicant.

Finally, cellular carriers should be allowed to provide PCS in their existing service areas without prior notification using their existing allocated spectrum and any additional spectrum that may be allocated for such use.

II. SERVICE AREAS.

A. MSAs/RSAs.

SBC supports PCS licensing based upon the MSA/RSA service areas adopted for cellular. Regulatory and competitive parity will best be achieved through such licensing. If larger license areas are adopted for the operations of newly licensed service providers than have been adopted for existing cellular PCS providers, then the newly licensed providers will be given an undue and anticompetitive advantage over the existing operators.

Use of MSAs/RSAs would also be consistent with the recommendations of numerous parties, including the Department of Justice ("DOJ").[19] Such use would be consistent with the Commission's recent Interactive Video and Data Service ("IVDS") order.[20] It would also be

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[19]*See Comments of BellSouth, Bell Atlantic, NYNEX, CTIA, Cellular Service, Inc., Century Cellunet, McCaw, Vanguard, Sprint, Centel, Linclon Telephone, NTCA, Rochester Telephone, USTA, Password, Viacom, Fleet Call, New York Department of Public Service, Pennsylvania PUC, and DOJ.*

[20]*In the Matter of Parts 0, 1, 2, and 95 of the Commission's Rules to Provide Interactive Video and Data Services,* GEN Docket No. 91-2, *Report and Order* (released

consistent with the goal of allowing all firms, including small businesses and entrepreneurs, to participate in the provision of PCS.[21]

Some of the initial comments suggest that licensing of the MSAs/RSAs for PCS will take too long and will slow PCS deployment. These claims are exaggerated and unsupported. Delays in cellular licensing were caused by extended rule makings and comparative hearings, not by the MSA/RSA licensing procedures. In fact, an examination of the Commission's records shows that licensing of some 428 cellular RSAs was completed over a period of less than twenty months. By contrast, a comparative hearing involving St. Tammany Parish, Louisiana took approximately 8 years to complete.[22] The Commission would likely stall PCS deployment if it were to define a new system of license service areas rather than by proceeding with licensing based on the MSAs/RSAs that are already well known and in place today.

February 13, 1992), para. 58.

[21]*BellSouth*, p. 33.

[22]*In re Applications of La Star Cellular Telephone Company and New Orleans CGSA, Inc.*, CC Docket No. 90-257, Initial Decision of Administrative Law Judge (released November 25, 1991).

B. Local Access Transport Areas ("LATAs").

AT&T suggests the use of LATAs for PCS licensing.[23] The suggestion is in marked contrast to AT&T's previous request for a virtual nationwide preference for a PCS license, which it now opposes. It is similarly inconsistent with AT&T's statement (not so many years ago) that mobile services should not be confined to LATA boundaries.[24] Most agree that the use of LATA boundaries for radio services makes no sense.[25] LATA licensing for new PCS providers would, in many cases, disadvantage all existing cellular providers (both Bell Operating Company and non-Bell Operating Company) who have had their license areas determined based on MSAs/RSAs which are smaller and not coterminous with LATA boundaries. In other instances, it would be newly licensed PCS providers who would be disadvantaged by LATA licensing, since many MSAs and RSAs contain all or part of multiple LATAs. Neither result or disadvantage is in the public interest.

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[23] *AT&T*, pp. 10-12.

[24] In the early eighties, AT&T argued that "The technology, economies, customer requirements, and competitive implications of mobile radio services are so different from those of landline services that it would be irrational and contrary to any reasonable interpretation of the Decree or antitrust policies to confine the BOCs' mobile radio systems to the precise LATAs established for landline service." *AT&T Response to Comments and Objections Relating to the Proposed LATA Boundaries* at 26-27 (November 23, 1982).

[25] *See, e.g., Sprint* at pp. 8-9.

C. 49 Major Trading Areas And 487 Basic Trading Areas.

APC suggests that the Commission use the 49 Major Trading Areas ("MTAs") as the basis for licensing PCS. APC contends that such service areas have an internal consistency and are defined by the natural flow of commerce.[26]

Contrary to APC's suggestion, there is no widespread acceptance of MTAs as proper commercial service areas. The MTAs, defined by Rand McNally, are not used or endorsed by the Bureau of Census, or any other established body. Moreover, as noted in SBC's initial comments, the areas are much too large and, if used, would basically preclude participation by small entrepreneurs and start-up businesses who would not be likely to obtain the financing for networks to serve such large service areas.[27]

Ameritech suggests the use of Basic Trading Areas ("BTAs").[28] While not as large as MTAs, use of BTAs would also be unacceptable. Competitive parity among existing and newly licensed PCS providers would not be achieved through such licensing. In addition, neither the Commission nor the industry has any experience with the use of BTAs, so BTAs

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[26]*APC*, p. 21.

[27]*SBC*, pp. 20-24.

[28]*Ameritech*, pp. 17-18.

would likely require more investigation and, as a consequence, impose delays in the licensing process.

D. Nationwide Licenses.

Very few commentors support the issuance of nationwide licenses. Nationwide licenses would essentially allow a handful of providers to dictate the terms of implementation for PCS. Because only a handful of providers would be involved, nationwide licensing would be the alternative most likely to limit technical and service innovation as well as service diversity.[29] It would also lead to fewer opportunities for equipment manufacturers. Such results would be contrary to the Commission's stated goals for PCS licensing. In addition, the issuance of one or more nationwide licenses would create a huge competitive imbalance for existing cellular carriers vis-a-vis newly licensed PCS providers; and it would not be in the public interest to create such a competitive disorder.

E. Consortia Proposal.

The most unusual licensing proposal is advanced by MCI. MCI proposes the creation and licensing of three national consortia.[30] MCI's proposal is impractical for a number of reasons. The cellular experience has shown that even straight forward multifaceted partnerships are difficult to manage and can impair timely and effective

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[29]*SBC*, pp. 20-24.

[30]*MCI*, pp. 4-5.

decision making. MCI's consortia proposal would make the situation even more difficult by adding a greater number of partners/providers. Moreover, because of the complicated ownership structure that would exist under MCI's proposal, there would be a need for new rules, extensive coordination, and a cumbersome management system that would be certain to cause, rather than eliminate, service delays.

To suggest, as MCI does, that the consortia structure will facilitate local innovation and participation is folly at best. Some entity -- presumably MCI -- will necessarily have to control and administer the process and, in the end, local participants will either sell out or have to live with a scenario where they have little or no input into the process. Thus, such a result would not truly facilitate local or small business participation.

The alleged simplicity of licensing three national consortia through comparative hearings is equally bereft and misleading.[31] Comparative hearings are not that simple or expeditious, as shown by the experience with the St. Tammany Parish license referenced earlier.[32] That case involved only one local market and took approximately eight years to complete. A comparative hearing on national consortia would be more difficult and substantially more complicated than the St. Tammany license case. In addition, the lack of

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[31]*MCI*, p. 9.

[32]*See* n.4, *supra*.

experience with consortia, as well as questions concerning their legality, could further delay the process.[33] The most that can be said about the MCI proposal is that it is ill-considered and impractical.

III. INTERCONNECTION/EQUAL ACCESS.

SBC supports PCS access to the LECs' PSTNs upon reasonable terms and conditions. In fact, the Bell Operating Companies ("BOCs") have begun already examining PCS interconnection needs both individually and through Bellcore. However, since the technology is not fully developed and individual PCS providers may have different needs, mandated PCS interconnection requirements would be premature at this time. Instead, the Commission should allow the industry to work out interconnection requirements at the local level and should not intervene in that process, unless it appears absolutely necessary.

MCI, and by inference AT&T, suggests that PCS providers should be required to offer equal access to interexchange carriers.[34] As stated in response to MCI's

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[33]*See Telecommunications Reports*, November 30, 1992, pp. 6-8, which discusses another case in the satellite arena which raised substantial questions concerning the legality of a licensed consortium arrangement.

[34]*MCI*, p. 21; *AT&T*, p. 12, n.16. It is unclear whether AT&T, in light of its proposed acquisition of an interest in McCaw, is proposing this requirement for all wireless service providers, including McCaw and/or AT&T's other PCS interests. Significantly, AT&T made no reference to providing equal access in its PCS pioneer preference request, and if the McCaw acquisition is approved, it is doubtful that AT&T will seek to impose an equal access

cellular equal access request, SBC does not support any equal access requirement for wireless service providers. The purported justifications for such a requirement simply do not exist in the competitive wireless service markets. However, if the Commission determines otherwise and adopts an equal access requirement for PCS, then such a requirement should be imposed on all wireless service providers (not just BOC affiliated PCS providers), and all wireless service providers and their affiliates should be required to provide equal access on a nondiscriminatory basis to other service providers.

MCI also makes a number of statements in support of its arguments which are factually incorrect or are patently inconsistent with positions it has taken in other proceedings. *MCI*, at page 21, grossly overstates the cost of cellular interconnection to the landline network. SBC's cellular subsidiary does not pay anything close to $.05 to $.10 per minute for cellular interconnection to the PSTN. The actual amount is closer to approximately $.02 per minute. In addition, whereas MCI now claims that a PCS licensee should be allowed to choose the size of its local service areas, it has consistently opposed that option in cellular for the BOCs. The same has been true in terms of adequate roaming capabilities. Again, while MCI at page 11

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requirement on McCaw, which currently does not offer such access to its cellular networks. The Commission should seek clarification from AT&T on this point.